

Testimony of Wayne Gattinella, President & CEO of WebMD Health Corp.  
To be delivered on November 12, 2009

Re: Promotion of Food and Drug Administration-Regulated Medical Products Using the Internet and Social Media Tools  
Questions 1, 2 and 4

Good Morning. My name is Wayne Gattinella and I am President and CEO of WebMD.

By way of background, WebMD is one of the most recognized and trusted brands of health information. The WebMD family of sites reach 95% of all adult Americans looking for health information online each year, and reach more than 60 million unique users every month. Medscape, our website directed to physicians, generates more than 1.5 million monthly physician visits and roughly eight out of every ten practicing physicians in this country.

Pursuant to our policies and procedures for content creation, labeling and editorial review, we follow the tenets of truthfulness, transparency in sources and fair balance in our originally-created content. Our mission of improving health and medical outcomes through credible, authoritative and trustworthy content and informational experiences is at the forefront of what our company and brand represents.

I will address my comments to Questions 1, 2 and 4.

1. As an initial matter, WebMD believes strongly that the use of the Internet and so-called Web 2.0 applications can effectively (i) inform consumers about health conditions and available treatment, (ii) enable consumers to take an active role in managing their conditions and their health, and (iii) enhance the physician-patient relationship.
2. If you look at what's happening on the web, consumers, increasingly focused on health related issues, now depend on the Internet more than any other source when they have a health question. It's the web that consumers turn to more often than going to the previous sources of health information, which was family, friends and even their doctors.
3. In a similar way, the consumer trend toward the use of the Internet and interactive media is also reflected in physician behavior. If you look back five or six years ago, as to where doctors went for medical information, they relied most heavily on industry meetings, conferences, journals, pharmaceutical reps, and other more traditional channels for health and medical information. If you fast forward to today, virtually all physicians are online and using the web for medical information in a way that now has replaced those meetings, conferences and traditional sources. Physicians have grasped the effectiveness of the web first hand as an educational tool that improves their medical practice through improved availability of information.

4. Empowering consumers with respect to their health care knowledge leads to better dialogue with medical professionals, more involvement and ownership of the treatment process and ultimately better outcomes. Physician-patient interactions are improved when the patient has a greater understanding and is more engaged in the relationship. I think one of the most compelling changes over the last few years is the increasing acceptance by physicians of the fact that their patients are coming to the physician's office better informed on health care issues that affect their patients, armed with the information that they obtained from the web. Today, 75% of doctors actually recommend credible websites to their patients when they are leaving the office as sources of additional information. It's an effective way for them to continue to educate the patient about their condition and keep the patient engaged. We are very proud of the fact that the website most recommended by doctors is WebMD.
5. Consumers are increasingly using social media as a means to communicate and exchange information and as a result social media will continue to expand. In 2008, according to eMarketer™, 41% of US internet users visited social networking sites in a given month. This number will grow significantly in the future. According to a recent WebMD survey of community users, our users responded that user-generated content posted by other users is a very helpful source of information. According to a recent Manhattan Research study, user-generated content in the form of blogs, chat rooms or message boards, has a "strong impact" on their health or Rx treatment decisions. Similarly, physicians are engaged in accessing social networking. In addition to viewing videos delivered by key opinion leaders and listening to podcasts, many are participating in condition or topic specific community groups available only to healthcare professionals. Physician participation in social networking programs is expected to greatly increase in the next year and physicians find online physician communities tailored to a physician audience helpful.
6. The Internet is markedly different from other media in its ability to provide the breadth of information regarding risks and benefits and to fully disclose all risk information required to be disclosed by FDA. Without the limitation of time, as is the case with broadcast advertising, or space in the case of print media, the Internet offers a special ability to fully meet the requirements of full disclosure of safety and risk information, thereby fully leveraging the Internet's technological benefits. The FDA of course recognizes the inherent differences, and limitations of, different media forms and accordingly provides that required disclosures should be adapted to recognize these differences. The FDA recognizes that 30- or 60-second television advertising spots simply cannot possibly provide full risk and safety information. As a result, FDA has allowed risk disclosure requirements to be met through the "adequate provision" requirements, which allows advertisers to provide full risk disclosures through alternative sources, such as toll-free telephone numbers, print media and the Internet. But, unlike Internet advertising, broadcast media do not make the additional information accessible in

real time, the risk information can be completely removed from the viewer, and is less likely to ever be viewed.

7. In stark contrast, the Internet provides for straightforward and complete delivery of all required information immediately and in a form that is readily available to the user. Internet users fully understand the use of links and their usefulness for fully providing additional information.
8. The current lack of FDA guidance regarding the circumstances under which the pharmaceutical industry can participate in the market for social media is restricting the flow of valuable information exchange among consumers and between consumers and the pharmaceutical industry. We recognize that this medium offers novel user content generation and presentation possibilities, but that it also presents challenges that need to be considered since it is created outside of the controlled environment under which independent editorial content is typically prepared. Within the short span of time we have today, it would be impossible to discuss in detail all the means that the Internet makes available to expand these type of communications. However, we believe that the means exist today to enable the pharmaceutical industry to responsibly participate in expanded communications with consumers and healthcare providers regarding their products. We believe there is a place for pharma-sponsored social media applications, which should build upon the platform established by the FDA guidelines and regulations for pharmaceutical advertising and FTC guidelines for online advertising.
9. Accountability for online content and communications: As a general rule, unless a pharmaceutical company has influenced or controlled the content or communications on a website, in other words, created the page or drafted the advertising content or communication, we do not believe that the pharmaceutical company should be responsible for the content or communication exchanges that might take place on the web. FDA should evaluate whether a pharmaceutical company controls the content or communication based on whether it has created, edited or otherwise controlled the content or communication. This approach is consistent with FDA's current approach to online advertising and should serve as a general principle for social media programs supported by pharmaceutical companies.
10. Disclosure and transparency: In the Internet media, full disclosure and transparency as to the source of information is an appropriate means to convey to users the origin of the content and in a way that is readily apparent to users. This approach is currently accepted within the Internet environment and is used in other online advertising contexts. For example, content that has been created by or under the control of an advertiser is designated on WebMD as "Sponsored by," or "From our Sponsor." In these cases, it is readily apparent to the user that the content is under the control of an advertiser, usually the pharmaceutical manufacturer. Because of the new and emerging environments within which the

Internet operates, both publishers and advertisers/sponsors need to ensure that the audience can clearly and intuitively identify the source of the content, as well as make a distinction between independent editorial content and advertising/promotional messages.

#### 11. Specific social media applications:

We believe that there are several means available for improving the quality and effectiveness of social media applications that may be relevant in the context of pharmaceutical company participation. Although we believe there is value to these applications, we also believe that a level of responsibility is also appropriate in the use of these media:

-Public Areas: Community applications, such as member-to-member interactions, blogs, user forums, postings, etc., are gathering spots for users and offer users a place to learn and share information with each other. Many of our users have told us that their community experience at WebMD truly helps them cope, manage, and, for many, thrive in ways they could not have achieved alone. We believe that the safeguards we currently have in place regarding community applications could be employed specifically in the context of pharma participation and sponsorship.

Although neither the advertiser of these community activities nor the website should be responsible for content accuracy in these situations, websites can employ features that provide for more responsible and thoughtful engagement, and which recognize that the ultimate responsibility for user generated content and comments rests with the user. Users should be required to abide by standard terms of usage in connection with their online interactive activities. Those policies generally limit abusive, threatening or disruptive conduct. They also limit solicitations or commercially oriented actions by users. Likewise, a professionally trained moderator staff could be employed to remove postings or exclude users that violate terms of use. A “Report Abuse” button prominently displayed can aid in notifying moderators of violative actions. WebMD monitors its community areas to ensure compliance with published policies and to remove postings or exclude users when we believe those policies are violated. My point is that community features do have limitations and some level of responsibility must be applied.

-Use of Health Professionals: Message boards and health exchanges can be supportive and educational, and can offer consumers the opportunity to interact with other persons who possess knowledge in specific areas, even when those boards and exchanges are sponsored by third parties. In those instances, experts who are paid by third parties should fully disclose any interests and the FTC’s guidance regarding the use of paid bloggers can identify these types of arrangements. In addition, experts should possess a minimum level of qualification, such as a professional background in a particular area and perhaps a specialized degree. They should have a level of experience in handling the subject matter and responding appropriately to user inquiries. Policies should fully explain the limitations of these activities. A

comprehensive set of moderator policies, together with appropriate management, can effectively achieve the goals of user education in a responsible manner and should be available to users.

-Adverse Event Reporting: Pharmaceutical companies have had limited involvement in social media activities to date, in part, due to concerns about how to handle potential adverse event reporting. In connection with pharma-sponsored social media applications, we believe an option for consideration should be to prominently display links to the FDA's Medwatch site, a site through which users can voluntarily report adverse incident events. WebMD currently displays this FDA directed module on our consumer website on drug monograph pages, which enables users to link directly to the FDA's Medwatch site. The language displayed within the module states: "You are encouraged to report negative side effects of prescription drugs. Please visit FDA MedWatch website or call 1-800-FDA-1088." This feature enables users to provide relevant information directly to the FDA in a timely manner. We believe this approach could be effectively adopted in the context of social media applications that involve pharmaceutical industry participation.

Finally and in conclusion for today, we have available to us a medium that is not limited in time or space as traditional media. We believe that the pharmaceutical industry can responsibly participate in the unique context of social media in a manner that provides substantial value to the health of consumers and for the education of physicians.

Thank you.

